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October 18, 2012

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: ***In the Matter of Rural Health Care Support Mechansim (WC Dkt. No. 02-60)***

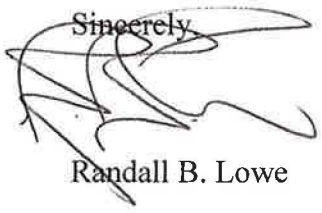
Dear Ms. Dortch:

On October 17, 2012, Dr. Todd Sorensen, Chief Executive Officer of Regional West Medical Center and President of the Rural Nebraska Healthcare Network ("RNHN"), and I met with Commissioner Clyburn and her Wireline Legal Adivsor, Angela Kronenberg. We also met separately with Priscilla Argeris, Legal Advisor to Commissioner Rosenworcel, and Christine Kurth, Policy Director & Wireline Counsel to Commissioner McDowell. On October 18, 2012, Dr. Sorensen and myself met with Carol Mattey, Deputy Chief of the Wireline Competition Bureau ("Bureau"), Trent Harkrader, Division Chief of the Bureau's Telecommunications Access Policy Division ("TAPD"), as well as Linda Oliver, Chin Yoo, Mark Walker and Lindsey Bohl of the TAPD. The purpose of the meetings was to discuss the Commission's Notice of Proposed Rulemaking ("NPRM") in the above-referenced matter.

At the meetings, RNHN distributed the attached document and expressed concern that the Commission was abandoning the proposed Health Infrastructure Program stating that the program was necessary in those instances where services or leased capacity was non-existent or too expensive. RNHN also expressed the need for the Commission to remain flexible by not imposing rigid program requirements, such as project caps and minimum bandwidth requirements, but, instead, permitting health care providers the opportunity to present and justify their specific needs, which could be for an owned and operated fiber network, lit capacity or both.

Any questions regarding this matter should be directed to the undersigned.

Sincerely,



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RURAL NEBRASKA HEALTHCARE NETWORK

A Regional System of Care Provided Locally

Rural Health Care Support Mechanism Reform

Rural Nebraska Healthcare Network (RNHN) is a consortium of nine hospitals and thirty-one supporting clinics in the Panhandle of Nebraska, which is a rural area of more than 14,000 square miles inhabited by only 91,000 persons. The participating hospitals of RNHN currently provide crucial access to their services through 55 primary care physicians. The number of services available at each RNHN facility varies. Access to specialized care is limited. In short, providing quality health care to the residents of the Nebraska Panhandle is a challenge. Nevertheless, RNHN has been successful in overcoming many of the barriers that rural healthcare providers (HCPs) face because it was able to end its reliance on inadequate and antiquated third party services by designing, constructing and maintaining a $19.2 million fiber optic broadband network under the Commission's Rural Healthcare Pilot Program. (See attached RNHN Network map.) The network connects its member hospitals with each other and with other HCPs. The RNHN network provides a robust, high-capacity network that was not and is not available in the region from any communications carrier at any cost. (See attached *A Word About Networks Versus Service*.)

As stated in its comments and reply comments in Docket 02-60, RNHN strongly supports the Commission's proposals to reform and reinvigorate the rural health care support mechanism by transforming the Rural Healthcare Pilot Program into the Health Infrastructure Program and creating the Health Broadband Services Program. The option of these programs will provide HCPs with the ability to choose either or both to best meet their individual needs. It is important, however, that the Commission adopt these programs along with the following:

- Permit public/private partnerships
- Permit the construction and sale of excess capacity based on incremental costs to fund matching requirements and to sustain the networks
- Permit funding of administrative and support services so that HCPs can hire the expertise needed to build, operate and manage their networks.
- Permit the participation of for-profit HCPs who are an important part of rural health care delivery.
- Permit HCPs to best determine their needs by not imposing any funding or project caps or any broadband minimums.

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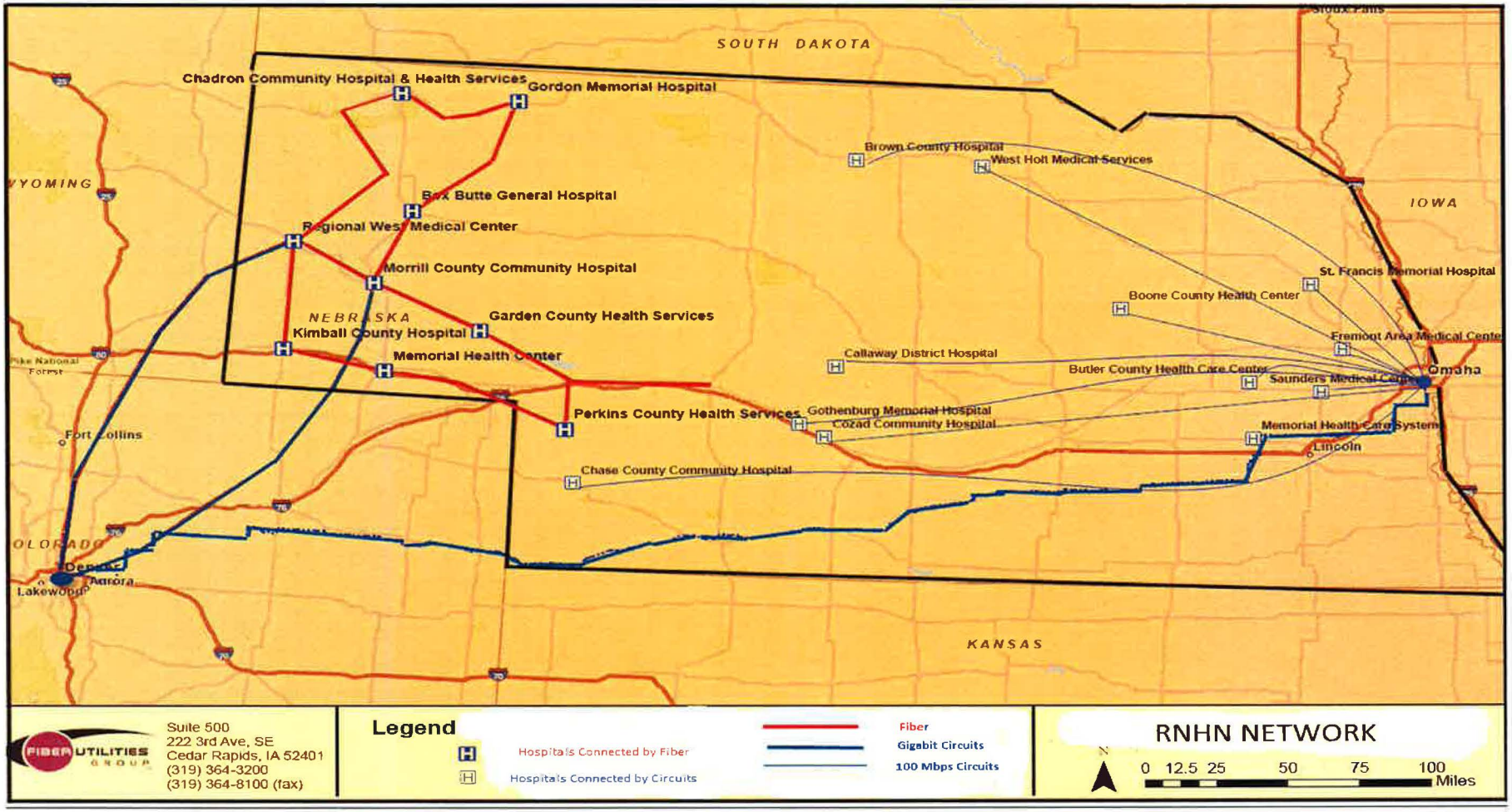
RNHN Network



RURAL NEBRASKA HEALTHCARE NETWORK

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A Word About Networks Versus Services

(excerpt from RNHN's 9/7/12 Reply in Docket No. 02-60)

Constructing a network from the ground up provides HCPs with greater flexibility and control over network services, enabling them to tailor their services to the needs of their communities. By owning the network, the HCP can realize lower costs, higher bandwidth and better service quality. Moreover, the HCP has the flexibility to modify the network at will to meet changing environments, applications and technologies. For instance, an HCP operating a wave network can light up as few or as many wavelengths as is needed; if the HCP needs to upgrade bandwidth, it can change out equipment without coordinating the upgrade with a carrier or worrying about term liability on a leased circuit; and if the HCP needs to test non-standard or experimental equipment, such equipment can be run on separate wavelengths. Carriers, on the other hand, can either not change their services or networks to meet such individual needs or they cannot do so in a timely and cost efficient manner.

Leasing capacity on legacy networks from established carriers does not further the goal of improving health care delivery; it merely perpetuates the *status quo*. Carriers mark up their services (capacity) knowing that the government subsidy will make their services attractive. This markup ability does not incent the carriers to expand or upgrade their networks for higher bandwidth, better latency or improved redundancy - it simply allows carriers to continue to sell low capacity circuits at what appears to be a reasonable price. Once the subsidy ends, any network utilizing the carrier becomes financially "unfeasible" because the user cannot afford the network without the subsidy. By contrast, the RNHN network has deployed infrastructure that will last a lifetime. It is completely self-sufficient and capable of being both operated and upgraded with new, improved electronics every five years for the next twenty years without any further governmental assistance.

RNHN represents precisely what the Commission had in mind regarding the deployment of new infrastructure and in a manner that does not require continual governmental subsidies. It represents a true investment in new infrastructure versus expenditure for service on antiquated, legacy networks.